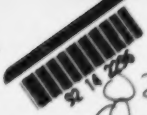


SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SIGNED Copy

82-23740
0-35367

Form 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES ACT OF 1934

For the Quarterly Period Ended March 31, 1992
Commission File #0-17330

PROCESSED BY
MAY 14 1992

DAINE INDUSTRIES, INC.

Microfilmed by
Q-Data Corp. - St. Petersburg, FL

(Exact Name of Registrant as Specified in its Charter)

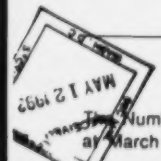
Delaware	11-2881685
(State or other jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

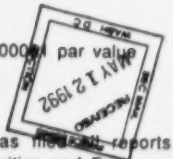
461 Beach 124 Street. Belle Harbor, New York 11694

(Address of Principal Executive Office) (Zip Code).

(718) 474-6568

(Registrant's Telephone Number, Including Area Code).





The Number of Shares Outstanding of Common Stock, $.0001 par value at March 31, 1992 was 248,461,935.

(Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities and Exchange Act of 1934 during the preceding twelve months and (2) has been subject to such filing requirements for the past ninety days. Yes / X / No / /).

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AVAILABLE

DAINE INDUSTRIES, INC.

PART 1- Financial Information

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GREENBERG
&
COMPANY
Certified Public Accountants

99 MORRIS AVENUE
SPRINGFIELD, NJ 07081

STANLEY J. GREENBERG, C.P.A.
JUDITH C. GREENBERG, C.P.A.
STUART D. GREENBERG, C.P.A.
NATHAN A. GREENBERG, C.P.A.

(201) 467-3838
FAX (201) 467-3184

ACCOUNTANTS' REVIEW REPORT

To the Board of Directors and Stockholders
DAINE INDUSTRIES, INC.
461 Beach 124th Street
Belle Harbor, NY 11694

We have reviewed the accompanying consolidated balance sheets of DAINE INDUSTRIES, INC. as of March 31, 1992 and the related consolidated statements of operations, stockholders' equity and cash flows for the nine month periods ended March 31, 1992 and 1991, in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of DAINE INDUSTRIES, INC.

A review of interim financial information consists principally of obtaining an understanding of the system for the preparation of interim financial information, applying analytical review procedures to financial data, and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the consolidated financial statements for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet as of June 30, 1991, and the related consolidated statements of operations, stockholders' equity and cash flows for the year then ended (not presented herein); and in our report dated August 12, 1991, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying consolidated balance sheet as of June 30, 1991, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

Greenberg & Company

GREENBERG & COMPANY

Springfield, New Jersey
April 22, 1992

DAINE INDUSTRIES, INC.
CONSOLIDATED BALANCE SHEETS

ASSETS

	March 31, 1992 (Unaudited)	June 30,1991 (Audited)
CURRENT ASSETS		
Cash and Cash Equivalents	$ 639,447	$ 593,888
Interest Receivable	3,537	2,061
Accounts Receivable	263,887	216,485
Inventory	344,059	335,803
Prepaid Expenses and Other Current Assets	25,274	29,318
	1,276,204	1,177,555
FIXED ASSETS, At Cost		
Machinery and Equipment	228,049	213,843
Less: Accumulated Depreciation and Amortization	38,077	22,916
	189,972	190,927
OTHER ASSETS		
Deposits	6,100	6,100
Covenant Agreement - Net (Note 3)	33,817	42,513
Organization Costs - Net (Note 3)	23,756	29,852
	63,673	78,465
TOTAL ASSETS	$1,529,849	$1,446,947

Subject to the comments contained in the Accountants' Review Report.

DAINE INDUSTRIES, INC.
CONSOLIDATED BALANCE SHEETS

LIABILITIES AND SHAREHOLDERS' EQUITY

	March 31, 1992 (Unaudited)	June 30, 1991 (Audited)
CURRENT LIABILITIES		
Accounts Payable	$ 145,277	$ 74,549
Accrued Expenses	13,063	16,386
Note Payable - Current Portion (Note 4)	15,000	15,573
	173,340	106,508
OTHER LIABILITIES		
Note Payable (Note 4)	30,000	41,250
TOTAL LIABILITIES	203,340	147,758
COMMITMENTS AND CONTINGENCIES (Note 5 & 6)		
SHAREHOLDERS' EQUITY		
Common Stock (Par Value $.0001) 350,000,000 shares authorized, 248,461,935 shares issued and outstanding	2,485	2,485
Paid-In Capital	1,441,597	1,441,597
Retained Earnings (Deficit)	(117,573)	(144,893)
TOTAL SHAREHOLDERS' EQUITY	1,326,509	1,299,189
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$1,529,849	$1,446,947

Subject to the comments contained in the Accountants' Review Report.

DAINE INDUSTRIES, INC.
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
For The Period July 1, 1990 to March 31, 1992

	Number of Shares	$.00001 Par Value	Paid-In Capital	Retained Earnings (Deficit)	Total Share-holders' Equity
BALANCES AT JULY 1, 1990 (Audited)	248,461,935	$2,485	$1,441,597	$ 30,151	$1,474,233
Net (Loss) for the Year Ended June 30, 1991 (Audited)	_____	____	_____	(175,044)	(175,044)
BALANCES AT JUNE 30, 1991 (Audited)	248,461,935	2,485	1,441,597	(144,893)	1,299,189
Net Income for the Nine Months Ended March 31, 1992 (Unaudited)	_____	____	_____	27,320	27,320
BALANCES AT MARCH 31, 1992 (UNAUDITED)	248,461,935	$2,485	$1,441,597	$(117,573)	$1,326,509

Subject to the comments contained in the Accountants' Review Report.

DAINE INDUSTRIES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For The Nine Months Ended March 31,	
	1992	1991
REVENUES		
Sales - Net of Returns and Allowances	$1,138,512	$ 615,027
COST OF GOODS SOLD		
Beginning Inventory	335,803	389,123
Purchase and Freight	675,783	320,918
Direct Labor	156,151	109,563
	1,167,737	819,604
Less: Inventory - End of Period	(344,059)	(432,896)
Cost of Goods Sold	823,678	386,708
GROSS MARGIN	314,834	228,319
INTEREST INCOME	19,498	26,826
GENERAL AND ADMINISTRATIVE EXPENSES	(274,507)	(316,065)
INCOME (LOSS) BEFORE OTHER EXPENSES	59,825	(60,920)
Consulting Fees (Note 5)	-0-	9,000
Interest Expense	5,062	5,298
Depreciation and Amortization Expense	29,953	27,478
INCOME (LOSS) BEFORE INCOME TAXES AND EXTRAORDINARY ITEMS	24,810	(102,696)
Income Taxes (Note 8)	7,486	(12,976)
Income (Loss) Before Extraordinary Item	17,324	(115,672)
Extraordinary Items		
Tax Benefit from Loss Carryforwards (Note 8)	4,447	-0-
Refund of State and City Taxes (Note 8)	5,549	-0-
NET INCOME (LOSS)	$ 27,320	$(115,672)
Earnings Per Share	NIL	NIL
Weighted Average Number of Shares of Common Stock Outstanding	248,461,935	248,461,925

Subject to the comments contained in the Accountants' Review Report.

DAINE INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For The Three Months Ended March 31,	
	1992	1991
REVENUES		
Sales - Net of Returns and Allowances	$ 324,853	$ 186,005
COST OF GOODS SOLD		
Beginning Inventory	259,591	435,935
Purchases and Freight	271,367	108,747
Direct Labor	47,376	26,921
	578,334	571,603
Less: Inventory - End of Period	(344,059)	(432,896)
Cost of Goods Sold	234,275	138,707
GROSS MARGIN	90,578	47,298
INTEREST INCOME	5,480	7,873
GENERAL AND ADMINISTRATIVE EXPENSES	(85,264)	(104,498)
INCOME (LOSS) BEFORE OTHER EXPENSES	10,794	(49,327)
Consulting	-0-	-0-
Interest	1,425	1,912
Depreciation and Amortization	10,211	9,804
INCOME (LOSS) BEFORE INCOME TAX	(842)	(61,043)
Income Tax Expense	903	3,118
NET INCOME (LOSS)	$ (1,745)	$ (64,161)
Earnings Per Share	NIL	NIL
Weighted Average Number of Shares of Common Stock Outstanding	248,461,935	248,461,935

Subject to the comments contained in the Accountants' Review Report.

DAINE INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For The Nine Months Ended March 31,	
	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	$ 27,320	$(115,672)
Adjustment to Reconcile Net Income to Net Cash Provided By (Used In) Operating Activities:		
Depreciation and Amortization Expense	29,953	27,478
Change in Assets and Liabilities:		
Decrease (Increase) in Interest Receivable	(1,476)	9,023
Decrease (Increase) in Accounts Receivable	(47,402)	104,711
Decrease (Increase) in Inventory	(8,256)	(43,773)
Decrease (Increase) in Prepaid Expenses	4,044	10,778
Decrease (Increase) in Deposits	0	23,595
Increase (Decrease) in Accounts Payable	70,728	(13,250)
Increase (Decrease) in Accrued Expenses	(3,323)	(12,472)
Net Cash Provided By (Used In) Operating Activities	71,588	(9,582)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures	(14,206)	(59,195)
Net Cash (Used In) Investing Activities	(14,206)	(59,195)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Borrowings Under (Repayment of) Short-Term and Long-Term Debt	(11,823)	(22,842)
Net Cash Provided By (Used In) Financing Activities	(11,823)	(22,842)
Net Increase (Decrease) in Cash and Cash Equivalents	45,559	(91,619)
Cash and Cash Equivalents at Beginning of Period	593,888	634,399
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$639,447	$542,780
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Period for:		
Interest	4,152	5,298
Taxes	4,913	12,976

Subject to the comments contained in the Accountants' Review Report.

DAINE INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For The Three Months Ended March 31,	
	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	$ (1,745)	$ (64,161)
Adjustment to Reconcile Net Income to Net Cash Provided By (Used In) Operating Activities:		
Depreciation and Amortization Expense	10,211	9,804
Change in Assets and Liabilities:		
Decrease (Increase) in Interest Receivable	2,999	668
Decrease (Increase) in Accounts Receivable	(93,736)	(100,769)
Decrease (Increase) in Inventory	(84,468)	3,039
Decrease (Increase) in Prepaid Expenses	(10,096)	682
Decrease (Increase) in Deposits	0	58,000
Increase (Decrease) in Accounts Payable	92,989	3,291
Increase (Decrease) in Accrued Expenses	6,572	149
Net Cash Provided By (Used In) Operating Expenses	(77,274)	(89,297)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures	(6,643)	(58,000)
Net Cash (Used In) Investing Activities	(6,643)	(58,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Borrowings Under (Repayment of) Short-Term and Long-Term Debt	(3,750)	(6,429)
Net Cash Provided By (Used In) Financing Activities	(3,750)	(6,429)
Net Increase (Decrease) in Cash and Cash Equivalents	(87,667)	(153,726)
Cash and Cash Equivalents at Beginning of Period	727,114	696,506
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$639,447	$542,780
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Period for:		
Interest	1,463	1,912
Taxes	902	1,324

Subject to the comments contained in the Accountants' Review Report.

DAINE INDUSTRIES, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 1992
(UNAUDITED)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Daine Industries, Inc. and its wholly owned subsidiary Lite King Corporation, after elimination of intercompany accounts and transactions.

CASH AND CASH EQUIVALENTS

Cash equivalents consist of highly liquid, short-term investments with maturities of 90 days or less.

ACCOUNTS RECEIVABLE

Accounts receivable are judged as to collectibility by management and an allowance for bad debts is established as necessary.

INVENTORY

Inventories are stated at the lower of cost or market. Cost is determined by the first-in, first-out method.

PROPERTY AND EQUIPMENT

Renewals and betterments are capitalized, maintenance and repairs are expensed as incurred.

Upon sale or other disposal of depreciable assets, costs and accumulated depreciation are removed from the accounts and any resultant profit or loss is reflected in income.

SHAREHOLDERS' EQUITY

The company issued 50,000,000 units, consisting of one share common stock, $.00001 par value, one redeemable Class A. Common Stock Purchase warrant and one redeemable Class B Common Stock Purchase warrant, and 152,000,000 shares to officers of the company and other individuals. As of June 30, 1991 and March 31, 1992, 37,224,425 Class "A" and 9,237,510 Class "B" warrants were exercised, and the balance of the warrants have expired.

NOTE 2: ACQUISITION

On February 26, 1990 Daine Industries, Inc. purchased the assets of Lite King Corporation. The purchase price was $738,079, which was paid $663,079 in cash and $75,000 in a note (see footnote 4).

DAINE INDUSTRIES, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 1992
(UNAUDITED)
(Continued)

NOTE 2: ACQUISITION (Continued)

The acquisition was accounted for by the purchase method of accounting and, accordingly, the purchase price has been allocated to assets acquired based on their fair market value at the date of acquisition.

NOTE 3: OTHER ASSETS

The company entered into an asset acquisition agreement, whereby a 5-year covenant not to compete agreement was signed and various organizational costs were incurred. Both of these amounts have been capitalized at cost and are amortized over their useful lives. The cost and related accumulated amortization is as follows:

	March 31, 1992	June 30, 1991
Covenant Agreement	$ 57,972	$ 57,972
Accumulated Amortization	(24,155)	(15,459)
Net	$ 33,817	$ 42,513
Organization Costs	$40,640	$ 40,640
Accumulated Amortization	(16,884)	(10,788)
Net	$ 23,756	$ 29,852

NOTE 4: NOTE PAYABLE

There is a promissory note, representing the balance of the purchase price of the equipment, in the sum of $75,000 payable over five years in 20 equal quarterly installments of $3,750 each, which began on May 26, 1990. The note bears interest at a rate of 12% annually.

At March 31, 1992 aggregate annual note payments, exclusive of interest, for the fiscal periods indicated below are as follows:

1992	$15,000
1993	15,000
1994	15,000
	$45,000

DAINE INDUSTRIES, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 1992
(UNAUDITED)
(Continued)

NOTE 5: COMMITMENTS AND CONTINGENCIES

The company is currently in a lease for office and factory space requiring annual lease payments aggregating approximately $48,000. This lease is scheduled to expire on April 30, 1992. On May 1, 1992 the new lease will begin at $50,000 annually and will expire on April 30, 1997.

The officers and certain directors of the company have been included as defendants in a class action entitled "Barker et al v. Power Securities Corp., et al" in the Western District of New York. The complaint alleges violations of the securities laws by all of the defendants. The officers and directors of the company deny the allegations and believe the suit to be without merit. The company has undertaken to advance any expenses necessary and incurred by the officers and directors in the litigation subject to an undertaking by such officer and director to repay the advances if it be ultimately determined that the officer or director is not entitled to be indemnified. At this date, expenses are not material. In the event that the plaintiffs were to prevail against the officers and directors and a judgment was issued against them, this may have a material adverse effect on the company's future financial condition.

The company entered into a consulting agreement with Jerold Kolton, the former owner of the company, which terminated on August 31, 1990. Jerold Kolton, as consultant, had, at the request of the principal executive officer, assisted and consulted with respect to all aspects of the company's business.

For the consulting services rendered, the company had paid the consultant $7,500 per month for the first four months and paid $3,000 per month for the following two month period, plus expenses of $1,500 monthly for the six months as the last two months consulting was performed on a part-time basis.

NOTE 6: RELATED PARTY TRANSACTIONS

The company had entered into an oral agreement with Modern Technology Corporation, a principal shareholder, to provide services and the partial use of its office of the company for the sum of $2,000 per month on a month to month basis. The company does not pay rent but paid a fee to Modern Technology Corporation for services of its officers and office through the period February 28, 1990, at which date it was terminated. Arthur Seidenfeld, president and a director of the company, owns 48% of the outstanding shares of Modern Technology Corporation and 70% of the outstanding shares of American Israel Ventures Corp. Anne Seidenfeld, Treasurer and a director of the company, owns 12% of the outstanding shares of Modern Technology Corporation and owns 25% of the outstanding shares of the American Israel Ventures Corp. Anne Seidenfeld is Arthur Seidenfeld's mother.

NOTE 7: INTERIM FINANCIAL REPORTING

The unaudited financial statements of the company for the period July 1, 1991 to March 31, 1992 have been prepared by management from the books and records of the company, and reflect, in the opinion of management, all adjustments necessary for a fair presentation of the financial position and operations of the company as of the period indicted herein, and are of a normal recurring nature.

NOTE 8: INCOME TAXES

Income taxes are accrued on an income tax basis as there are no significant temporary and timing differences between income for financial statement purposes and income for tax purposes. Taxes for the current quarter mainly represent state and local taxes based upon business capital. The Company has a net operating loss available for the current quarter, which resulted in the extraordinary tax benefit as shown.

Part 1. Financial Information

Item 1. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Daine Industries, Inc. ("The Registrant") was incorporated on September 24, 1987 and is currently engaged in the manufacture and assembly of wiring devices. During the quarter ended March 31, 1988, the Registrant completed its proposed public offering selling 50 million units at 1¢ each, raising $405,588, net of underwriting costs and expenses. Through December 31, 1989, the Registrant raised an additional $1,021,614 through the exercise of warrants. All of the warrants expired on February 1, 1990.

Lite King's facilities consist of approximately 16,000 square feet of office and factory space with annual lease payments of $50,000-. Lite King's work force fluctuates during the year, from about 10-30 employees, all except two which were engaged in manufacturing and assembly activities.

As a result of the acquisition of the assets of Lite King Corporation by the Registrant's wholly owned subsidiary, during the nine months ended March 31, 1992, the Registrant generated revenues of $1,138,512. During the nine months ended March 31, 1991, the Registrant generated revenues of $615,027. During the nine months ended March 31, 1992, the Registrant generated net income after taxes of $27,320 as compared with a net loss of $115,672 for the nine months ended March 31, 1991. The improvement in sales and net income for the periods being discussed can be attributed to enhanced marketing activities and improvements in productivity and an approximate 10% decline in general and administrative expenses. The Registrant's president, has agreed to reduce his yearly base salary from $75,000 to $52,000, effective October 1990 through June 30, 1991, and has continued to take a reduction in salary through March 31, 1992.

As of March 31, 1992, the Registrant had total assets of $1,529,849, current assets of $1,276,204, fixed assets of $189,972, other assets of $63,673, current liabilities of $173,340, other liabilities of $30,000 and total shareholders' equity of $1,326,509. The current ratio (current assets to current liabilities) at March 31, 1992 was approximately 7.3:1.

Lite King is embarking upon a modernization program which may result in upgrading some of its present tooling over the coming years. As part of this program, Lite King has committed itself to spending for some new tooling which having been completed, has resulted in having available some improved products. Management is currently seeking out the acquisition of other companies or the purchase of assets of other firms which could be in an unrelated field to Lite King or which may complement Lite King's business by generating savings in overhead, although no assurances can be given that such an acquisition or purchase will be completed in the near future.

PART II. OTHER INFORMATION:

Item 1. Legal Proceedings.

See 9/30/89 Form 10-Q Re: "Barker et. al v. Power Securities Corp., et al".

Item 2. Changes in Securities. None

Item 3. Defaults upon Senior Securities. None.

Item 4. Submission of Matters To A Vote of Security Holders.

On January 2, 1992, by consent of a majority of the outstanding shares, the board of directors as previously reported to the Commission, was reelected in its entirety.

Item 5. Other Materially Important Events. None.

Item 6. Exhibits and Reports on Form 8-K. None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

By Arthur Seidenfeld

Arthur Seidenfeld
President
Dated: May 11, 1992